

Minutes
Air Pollution Control Board
Indiana Government Center South
Conference Room B
402 West Washington Street
Indianapolis, Indiana

February 2, 2000
1:00 p.m.

1. Mr. John Walker, Chairman, called the meeting to order at 1:05 p.m. He noted that a quorum was present.

CALL TO ORDER
QUORUM

2. Chairman Walker introduced the board members.

INTRODUCTION OF
MEMBERS

Present: John Walker, Chairman
Thomas Anderson
John Bacone, Proxy, Department of Natural Resources
Jeff Bowe
Howard Cundiff, Proxy, State Board of Health
Marlowe Harmon
Chris Horn
Randy Staley
Melanie Darke, Proxy, Lieutenant Governor
Tom Rarick, Technical Secretary

Absent: George Ewing
Dr. James Miner
Rachel McGeever, Legal Counsel

Staff members present were Tim Method, Deputy Commissioner; Janet McCabe, Assistant Commissioner; and Kathy Watson, Air Programs Branch Chief. Other attendees are recorded on a separate sheet. A court reporter was present and a transcript is available for review.

3. Mr. Method introduced Kristin Whittington, IDEM's new liaison to the agricultural community, to the board.

REPORTS

Mr. Method updated the board on the legislative session. HB 1343 has passed the House at this point. The subject of this bill is permitting, specifically research and development projects and how they are treated in the construction operation permit process. HB 1412 has been introduced. The subject of this bill is Title V record-keeping, monitoring, and reporting requirements for permit holders. This bill would place significant restrictions on the department's authority in this area, but it is not moving forward in the legislative process. HB 1218 has had a committee

hearing. The subject of this bill is fugitive dust. It would place a restriction on the amount of penalty that could be placed by the department on a violation of the fugitive dust rule. This bill is also not moving forward. A full report will be provided at the end of the legislative session.

Ms. McCabe updated the board on the nitrogen oxides rule. A draft version of the state-wide nitrogen oxides reduction rule was published in the Indiana Register on February 1, 2000. Comments on this rule are due March 1. An open meeting will be held February 8 to discuss this rule as well as some of the technical air quality work.

The final 1-hour ozone attainment demonstration for Clark and Floyd counties was submitted to EPA in November. EPA is reviewing the document. A similar document is being prepared for Lake and Porter counties. This is due to EPA by the end of this year. The department is using a regional approach that includes discussions with Illinois, Wisconsin, Michigan, Kentucky, Iowa and Missouri.

Based on legislation passed last year that directed the Environmental Quality Service Council (EQSC) to develop economic incentive or trading programs, Ms. McCabe reported that IDEM had been participating in a subcommittee formed last fall. At the request of the subcommittee, IDEM has been working on a conceptual outline for a pilot trading and banking program for Northwest Indiana.

After the board acted on the 1997 annual update of the Code of Federal Regulations last year to include the revised ozone and fine particulate standards, there were discussions about the legal challenges to the standards and their status. There will not be a resolution of the federal challenge in time for the department to complete the state rulemaking. The department will withdraw the rulemaking because the status of the standards is not clear.

EPA has approved the department's request to redesignate both Marion and Lake counties to attainment status for carbon monoxide. Air quality in those areas has been able to meet the standard for quite a while due to improvements in traffic management, industry and motor vehicle emissions. EPA has approved the maintenance plan as well.

Ms. Watson introduced a new department project, the Northwest Indiana Diesel Emissions Project. This is a community effort to address community concerns with diesel emissions in northwestern Indiana. A public forum was held in Hammond on January 19 to educate and discuss issues, as well as to form a community work group. Over the next year, the work group will develop potential solutions to lessen the impact of diesel emissions in that area.

Ms. Watson announced the details of the air-related public hearings taking place in February and March.

4. Mr. Horn moved to adopt the minutes from the September 1, 1999, October 6, 1999, and November 3, 1999 board meetings. Mr. Cundiff seconded. The motion passed unanimously.

ADOPTION OF THE MINUTES

5. Chairman Walker introduced Exhibit 1, the draft rule 326 IAC 2-2 and 326 IAC 2-7-10.5, pollution control project exclusion, into the record of the hearing.

Ms. McCabe commented on the rule. The purpose of this rule is to provide an exemption for pollution control projects that companies undertake to reduce emissions. The exemption makes it unnecessary for large sources to go through an elaborate permitting process for pollution control projects that achieve an environmental benefit. This is a similar exemption to the one that was already included in the minor source rule. This rule is written in a general way to be consistent with EPA guidelines; it provides that a pollution control project does not need to go through permitting, as long as there are not ancillary pollution increases that would trigger federal permitting thresholds.

Mr. Bernie Paul, Technical Group Leader, Eli Lilly and Company, supported the amendments to the rulemaking. The department has addressed all comments submitted in response to the second notice that was published in the November 1, 1999 issue of the Indiana Register.

Mr. Bowe moved to preliminary adopt amendments to rules 326 IAC 2-2 and 326 IAC 2-7-10.5. Mr. Staley seconded. The motion passed unanimously.

6. Chairman Walker entered into the record Exhibit 2, the draft rule 326 IAC 15-1-2; 326 IAC 15-3-3; and 326 IAC 20-13, secondary lead smelters NESHAP.

Ms. McCabe commented on the rule. There are currently two lead smelters in operation in Indiana. Progress in reaching attainment for lead has been the result of fairly strict state rules regarding lead emissions as well as the closure of a lead facility in Indianapolis. In 1995, EPA issued its MACT standard for lead smelters. The department's goals in developing this rulemaking were to maintain protection of public health, to include elements in the federal MACT rule that were not already in the state rule, and to be consistent in the department's treatment of Indiana businesses, in terms of standards. After discussing the proposed rule with the two existing companies, the department has made adjustments to recognize certain points that the companies made concerning the rule.

Ms. McCabe noted that the proposed rule would set stricter limits for the process emissions (furnace emissions) and fugitive emissions than the federal rule. These include limits that one of Indiana's two lead smelters currently is subject to by previous rule. The proposed rule applies these limits to the other smelter to ensure consistency. Average emissions of the two Indiana companies are currently well below the proposed limit.

**CONSIDERATION OF
PRELIMINARY
ADOPTION OF
AMENDMENTS TO
RULES 326 IAC 2-2
AND 326 IAC 2-7-10.5,
Pollution Control
Project Exclusion**

**CONSIDERATION OF
PRELIMINARY
ADOPTION OF
AMENDMENTS TO
RULES 326 IAC 15-1-
2; 326 IAC 15-3-3; AND
326 IAC 20-13,
Secondary Lead
Smelters NESHAP**

Mr. Lawrence Vanore, Sommer & Barnard, representing Exide Corporation, commented on the rule. The latest draft of the proposed rule contained new sections on monitoring baghouse alarms and the baghouse leak protection system. Exide has not had the chance to fully review the draft rule. Also, IDEM's response to Exide's prior comments on the draft rule were extensive, so Exide requests that the board consider preliminary adoption of this rule at a subsequent board meeting.

Mr. Vanore commented on the lead limits in the proposed rule. Exide currently meets the proposed limits. However, Exide believes that the limits are more stringent than necessary. Exide submitted to the board written comments concerning alternative emission limits, opacity limits on baghouses and monitoring for negative pressure.

Mr. Tom Neltner, Improving Kids' Environment, commented in support of the rule. He applauded IDEM's effort to go beyond the federal limits to protect public health.

Mr. Bob Kelsey, EHS Compliance Manager, Quemetco, commented in support of the rulemaking. Quemetco requests IDEM to petition EPA to immediately repeal the lead SIP provisions set for Quemetco in 40 CFR 52.77 (c) that are being replaced by this rule, as they are not consistent with the proposed regulations and do not reflect current permitted configurations at Quemetco facilities. Quemetco believes it is also the only operating smelter mentioned in the Indiana lead SIP.

Mr. Cundiff questioned IDEM staff if they wished to comment on the request for a federal change in the SIP. Ms. McCabe answered that EPA would be updated if the board makes a change to Indiana's current lead rule. Mr. Kelsey commented that Quemetco's concern is with the conflicting regulations because of a timing issue.

Ms. McCabe said that the department will work with Exide and Quemetco on any remaining issues before the rule comes before the board for final adoption. She urged the board's action on this rulemaking to keep the process in motion.

Mr. Cundiff moved to preliminary adopt amendments to rules 326 IAC 15-1-2; 326 IAC 15-3-3; and 326 IAC 20-13. Mr. Harmon seconded. The motion passed unanimously.

7. Chairman Walker entered into the record Exhibit 3, the draft rule 326 IAC 1-1-3, references to the code of federal regulations (CFR), 1998 edition.

Ms. Watson commented on the rule. This is the annual update of references in the state rules to the Code of Federal Regulations. This rulemaking updates references to the CFR, portions of the CFR, or incorporations by reference of federal rules to ensure that state rules are consistent with the federal regulations as of June 30, 1998. A comprehensive list of all references to the CFR in the

**CONSIDERATION OF
PRELIMINARY
ADOPTION OF
AMENDMENTS TO
RULE 326 IAC 1-1-3,
References to the Code
of Federal Regulations
(CFR), 1998 edition**

air rules is being put together. Next year's update will include the list in the fact sheet of the board packet.

Mr. Horn moved to preliminary adopt amendments to rule 326 IAC 1-1-3. Mr. Anderson seconded. The motion passed unanimously.

8. Chairman Walker entered into the record Exhibit 4, the rule as preliminary adopted and proposed for final adoption, 326 IAC 1-2-48, definition of nonphotochemically reactive hydrocarbons or negligibly photochemically reactive compounds.

Ms. Watson commented on the rule. This rulemaking amends the state rule from a listing of the hydrocarbons and compounds to a reference to the CFR, so that the state rule does not need to be amended each time the federal regulations change.

Ms. Watson, answering questions regarding this rule from the September 1999 board meeting, commented that the state rule could not be made any less stringent than the federal rule when an incorporation by reference is done. It is simply ensuring consistency between two levels. Ms. Watson also responded to a question regarding public access to the most current information. The department can provide a list of nonphotochemically reactive hydrocarbons to the public per request. A link to the CFR will also be provided on the OAM Web site.

**CONSIDERATION OF
FINAL ADOPTION OF
AMENDMENTS TO
RULE 326 IAC 1-2-48,
Definition of
Nonphotochemically
Reactive Hydrocarbons
or Negligibly
Photochemically
Reactive Compounds**

Mr. Anderson moved to final adopt the rule 326 IAC 1-2-48, as amended. Mr. Bowe seconded. The motion passed, 8-0. Mr. Bacone was absent for the vote.

9. The next meeting is tentatively scheduled for Thursday, April 13, 2000, at 2:00 p.m., in the Indiana Government Center South, Conference Rooms 4&5, Indianapolis, Indiana.

NEXT MEETING

10. Chairman Walker adjourned the meeting at 2:08 p.m.

ADJOURNMENT

John Walker, Chairman

Thomas Rarick, Technical Secretary